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FISCAL IMPACT REPORT

SPONSOR: Coll DATE TYPED: 1/28/03 HB 132

SHORT TITLE: Water Rights Litigation Fund SB _____

ANALYST: Chabot

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$565.0			Non-Recurring	New Fund - Water Rights Litigation Fund

(Parenthesis () Indicate Expenditure Decreases)

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY03	FY04			
	(\$565.0)		Non-Recurring	General Fund
	\$565.0		Non-Recurring	New Fund - Water Rights Litigation Fund

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

No Responses Received From
 Administrative Office of the Courts
 Office of the State Engineer

SUMMARY

Synopsis of Bill

House Bill 132 appropriates \$565.0 from the general fund to the Water Rights Litigation Fund created by this bill which will be managed by the Administrative Office of the Courts for the purpose of paying expenses incurred by district courts in the adjudication of water rights.

Significant Issues

Adjudication of water rights cases take considerable time and are costly. This bill will help address some of the costs incurred by the court system.

FISCAL IMPLICATIONS

The appropriation of \$565.0 contained in this bill is a non-recurring expense to the general fund. Any unexpended or unencumbered balance remaining in the Water Rights Litigation Fund at the end of 2004 or succeeding fiscal years will not revert.

TECHNICAL ISSUES

Section 1 provides for payment of expenses directly from the fund. Usually, agencies are required to request budget adjustment authority to move revenue from a fund to operating budget for expenditure. In a limited number of funds, direct expense is authorized. Is direct expense intended?

POSSIBLE QUESTIONS

1. Why is a special fund for water rights litigation expenses required ? Why not include water rights adjudication expenses in the operating budget of the district courts ?

GAC/lr